

**REMARKS**

Claims 19-24 are pending in the application.

In the specification, a new paragraph has been added at page 1, line 6 claiming the benefit of priority to an earlier application (Application No. 09/240,639, now U.S. Patent 6,350,447). The paragraphs beginning at page 96, line 12; page 98, line 17; page 101, line 7; and page 102, line 27 have been amended to insert SEQ ID NO: tags for sequences disclosed in the specification and Sequence Listing. The paragraph beginning on page 99, line 13, was amended to delete embedded hyperlinks. The paragraph beginning on page 100, line 13 was amended to delete embedded hyperlinks, correct a spelling error, and insert SEQ ID NO: tags for sequences disclosed in the specification and Sequence Listing. The paragraph beginning at line 1 of the Abstract was amended to delete the word novel.

Applicants also submit a substitute Sequence Listing in accordance with 37 C.F.R. §1.825 in which three sequences (SEQ ID NO: 30, 31 and 32) are added; however the sequences were disclosed on page 101, line 21 (SEQ ID NO: 30), page 103, line 7 (SEQ ID NO: 31), and page 103, line 8 (SEQ ID NO: 32) of the instant specification, thus no new matter is added.

The Examiner has acknowledged that claim 19 contains allowable subject matter and has rejected claims 20-22 and 24 under 35 U.S.C. §112. Applicants have amended claims 20-22 and 24 as follows. Claim 20 has been amended to be directed to polypeptides having phosphohydrolase activity consisting of the amino acid sequence of SEQ ID NO: 6 or the mature protein portion thereof, both of which are described and supported in the specification at least at page 38, lines 4-5. Claim 21 has been amended by deleting the term "about" in order to identify the minimum sequence identity of the claim and finds support at least in the originally filed claim 21. Claim 22 has been amended to overcome the indefinite rejection by inserting a definition of "highly stringent conditions" which finds support in the specification at least at page 11, lines 20-25. Claim 24 has been amended to replace "and" with "or" and is supported in the instant specification at least at page 5, lines 10-14. Therefore, no new matter has been added. In light of the amended claims, Applicants respectfully request that the 35 U.S.C. §112 rejections be withdrawn.

CONCLUSION

On the basis of the foregoing amendments and remarks, Applicants respectfully submit that the pending claims are in condition for allowance, and a Notice of Allowance is respectfully requested as soon as possible. If there are any questions regarding these amendments and remarks, or if further discussion would expedite allowance of the claims, the Examiner is encouraged to contact the undersigned at the telephone number provided below.

Respectfully submitted,

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